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CENTRAL INTELLIGENCE AGENCY  
INFORMATION REPORT

REPORT CD NO 72

COUNTRY Hungary

DATE DISTR 18 JAN 52

SUBJECT Steel Plant at Ózd

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(LISTED BELOW)

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1. A steel plant is situated in the industrial town of Ózd which has about 35,000 inhabitants and is about 13 kilometers from the Czechoslovak border. In the neighborhood of the Ózd plant there are some ten minor coal mines of which the more important are Putnoid, Kiraldi, Farkaslyuki, Banzallas, Szonjas, Borsodnádasi, and Egerechi. These mines are administered at Ózd by the Ozdiszen State-owned Mines Enterprise (Ozdiszen Bányák, Nemzetivállalat).
2. The plant has twelve Siemens-Martin furnaces, two of which are always out of action being cleaned. The maximum capacity of the plant is about 2,400 tons of steel per day. The plant produces only 70 to 80% of its planned output at present, which is partly attributable to absenteeism.
3. Production at the plant includes:
  - Railroad tracks
  - Material for bridges
  - Steel railroad ties
  - Shipyards equipment
  - Bricks for furnaces
  - Steel plates (for war plants at Csepel and Diósgyőr).
4. About 13,000 workers, of whom 2,000 are women, are employed at the plant in three eight-hour shifts.
5. Raw materials for the plant are received direct from the Rudabánya mines near Miskolc.
6. Adjacent to the foundry are two departments producing rifle barrels. About 120 workers are employed in these departments, which are under the direction of Mustos (fnu). The output from the two departments is sent exclusively to Csepel and Diósgyőr.
7. The general manager of the plant is Robert Hencel, a Communist Party member. The plant party secretary is Hasol Fehor. Jolák Valoci is president of the plant committee, and Gyula Kovács is the head of the AVO police department in the plant.

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8. There are three Russian experts working at the plant entitled "counsellors", whose "counsel" must be obeyed.
9. In addition to the AVO, an industrial police section was set up in the foundry in May 1951. They wear the usual police uniforms and receive better pay than the workers, their wages being 700 - 900 forints per month.
10. Entry to the plant is rigorously controlled. Passes are changed every month.
11. The morale of the workers is low and many of them conserve their earnings for black-market activities outside working hours in order to supplement their meager wages which will purchase only five kilos of food on the free market per month. Many of the workers have arranged for their wives to work at the plant in order to help make both ends meet.
12. Two or three meetings are held at the plant each week under the auspices of the Communist Party, during which the USSR is exalted and the West and Yugoslavia denounced. Workers are forced to attend these conferences, which take place at the plant after the day's work is over, as all means of transport from the plant are suspended.
13. Every worker is compelled to become a member of the trade union as well as an associate of the Hungarian-Russian Friendship Union. Workers less than 25 years old must also become members of the Disz organization and an associate of the Combatants of Freedom. If a worker is a member of the above-mentioned associations, attends the various conferences and meetings, subscribes to the Communist and trade-union journals, then only may he feel reasonably secure in his job.
14. During the May Day celebrations in 1951, handbills attacking the Hungarian régime were distributed all over the plant. Many persons were arrested.

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Comment: This is possibly identical with the labor militia

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